

## **MEETING OF THE DELAWARE AGRICULTURAL LANDS PRESERVATION FOUNDATION**

A meeting of the Delaware Agricultural Lands Preservation Foundation was held at the Delaware Department of Agriculture, 2320 S. DuPont Hwy Dover, Delaware, on March 20, 2019 **with the following members in attendance:**

- Chairman Robert Garey
- Theodore Bobola, Jr.
- Matthew Chesser
- Colleen Davis, State Treasurer
- L. Allen Messick, Jr.
- William H. Chip Narvel, Jr.
- Secretary Michael Scuse
- William Vanderwende

### **Absent:**

- Peter Martin
- Robert Emerson
- Janice Truitt

### **The following Foundation staff members were in attendance:**

- Austin Short, Deputy Secretary of Agriculture
- Scott Blaier
- Milton Melendez
- Howard Mesick
- Kathi Spangler
- Carrie Wanstall

### **Others in attendance:**

- Jeff Chorman, Chorman Spraying, LLC
- Tiffany Dailey, Office of Management and Budget
- Susan Steward, Office of the State Treasurer

**Chairman Garey opened the meeting at 8:30 AM.**

## **I. Preservation Districts:**

### **A. Current Situation Report:**

Scott Blaier informed the Board there are currently 1,253 approved and pending districts and expansions in the program encompassing 173,830 acres after deducting terminations. There are 26 easements pending settlement for Round 22 and 4 easements pending settlement for Round 21;

once these are settled there will be 895 agricultural easements encompassing approximately 124,683 acres at an approximate cost of \$219,347,630. The preserved lands for Farmland and Forestland Preservation (once Round 21 & 22 easements settle) will total 906 easements encompassing 125,611 acres with an acquisition cost of approximately \$221 million.

Austin Short added that 3 easements will not settle from Round 23 due to mortgage subordination issues, thus the new total of easements is 895 (reduced from 898).

#### **B. Young Farmers Report**

Austin Short advised the Board that the Young Farmers Loan application for Andrew Jones, approved at the January 16, 2019, is continuing through the loan process. The appraisal is completed and the maximum loan amount is approximately \$300,000. The application approved for the Smith family will likely not proceed. Austin Short advised the Board that he has yet to receive a contract for the purchase and will request them to provide a contract by March 31 or terminate their application.

#### **C. District Eligibility**

1. **LFW Delaware Holdings 2015 District (S-19-02-288)** after discussion and examination of the application report, **Mr. William H. Chip Narvel, Jr. motioned to approve for district eligibility the LFW Delaware Holdings 2015 District, seconded by Mr. Matthew Chesser. Motion unanimously approved.**

#### **D. District Final Approval**

1. **Millard & Joanne Dixon, Jr. District (K-18-12-287)** after discussion and examination of the application report, **Mr. Theodore Bobola, Jr. motioned to approve for district final approval the Millard & Joanne Dixon, Jr. District, seconded by Mr. William Vanderwende. Motion unanimously approved.**

#### **E. Expansion Eligibility & Final Approval**

1. **Sweetman Forest Expansion of the Dulin Brothers District (K-18-12-120H)** after discussion and examination of the Application Report, **Mr. Matthew Chesser moved to accept for expansion eligibility and final approval the Sweetman Forest Expansion of the Dulin Brothers District, seconded by Mr. L. Allen Messick, Jr. Motion unanimously approved.**
2. **Stayton Expansion of the Stayton's District (K-18-12-205X)** after discussion and examination of the Application Report, **Mr. William Vanderwende motioned to accept for expansion eligibility and final approval the Stayton Expansion of the Stayton's District, seconded by Mr. Matthew Chesser. Motion unanimously approved.**

3. **P & M Forest Expansion of the Hayden-Gallo District (K-18-02-062Q)** after discussion and examination of the Application Report, **Mr. Matthew Chesser motioned to accept for expansion eligibility and final approval the P & M Forest Expansion of the Hayden-Gallo District, seconded by Mr. William H. Chip Narvel, Jr. Motion unanimously approved.**
4. **Walter Expansion of the South West Corner District (S-19-02-061H) Contingent Sale** after discussion and examination of the Application Report, **Mr. L. Allen Messick, Jr. motioned to accept for expansion eligibility and final approval the Walter Expansion of the South West Corner District, seconded by Mr. Theodore Bobola, Jr. Motion unanimously approved.**

#### **F. Forestland Preservation Area Eligibility & Final Approval**

1. **P & M Forestland Preservation Area (F-K-18-02-062Q)** after discussion and examination of the Application Report, **Mr. William H. Chip Narvel, Jr. motioned to accept for forestland preservation area eligibility and final approval the P & F Forestland Preservation Area, seconded by Mr. Matthew Chesser. Motion unanimously approved.**

## **II. Secretary of Agriculture's Veto:**

Secretary of Agriculture, Mr. Michael T. Scuse, waived the right of veto for the above Districts, Expansions, and Forestland Preservation Area applications.

## **III. Opportunity for Public Comments:**

No public comments were received.

## **IV. Minutes:**

Chairman Garey asked if there were any comments or changes to the January 16, 2019 meeting minutes that were mailed to Board Members prior to today's meeting, and noted that February's meeting was canceled. Hearing no changes, the Chairman asked for a motion to approve the January's meeting minutes. **Mr. William Vanderwende moved to approve the January 16, 2019 meeting minutes as presented, seconded by Mr. L. Allen Messick, Jr. Motion unanimously approved.**

## **V. Financial Highlights:**

The **January 31, 2019** Financial Statements were presented by Howard Mesick, who reported that Funds Held by the State were \$303,817.40, and funds in the State Interest Bearing Account were \$356,525.93 for a total of \$660,343.33. Monthly income of \$1,155.05 was comprised of Sussex County Rollback Taxes of \$264.26, interest income of \$575.79 and license plate income of \$315.00. January Ordinary Total Expenses were \$24,006.48, resulting in a January Net Income (Loss) of (\$22,851.43). Net Income for the year is \$278,966.30. **Mr. L. Allen Messick, Jr. motioned to accept the January 31, 2019 Financial Statements as presented, seconded by Mr. Matthew Chesser. Motion unanimously approved.**

The **February 28, 2019** Financial Statements were presented by Howard Mesick, who reported that Funds Held by the State were \$285,370.98, and funds in the State Interest Bearing Account were \$357,873.95 for a total of \$643,244.93. Monthly income of \$1,348.02 was comprised of Kent County Rollback Taxes of \$12.23, interest income of \$670.79 and license plate income of \$665.00. February Ordinary Total Expenses were \$25,221.69, resulting in a February Net Income (Loss) of (\$23,873.67). Net Income for the year is \$255,092.63. **Mr. William H. Chip Narvel, Jr. motioned to accept the February 28, 2019 Financial Statements as presented, seconded by Mr. Matthew Chesser. Motion unanimously approved.**

## **VI. Executive Session**

There was no executive session.

## **VII. Other Business**

### **1. Chorman Spraying, LLC – Request to use private airstrip for agricultural operations on the Texas Ranch, Inc. District (K-95-02-032-1)**

Austin Short reminded the Board that legislation was passed last year (Senate Bill 252) to allow the use of private airstrips within Agricultural Land Preservation properties for agricultural operations and as well as government programs. The law also requires the Board's written approval for these requests.

Austin noted that there were three such requests from Chorman Spraying, LLC and that Mr. Jeff Chorman was present to discuss these requests.

Mr. Chorman noted that the first request was for the grass airstrip owned by Texas Ranch, LLC and he presented a letter from the owner, Gregory Pettinaro, stating that he supported Mr. Chorman's request. Mr. Chorman noted that his company uses the site for agricultural operations, phragmites control and waterfowl counts; however, no aircraft are stored at the landing strip.

**Mr. William Vanderwende motioned to accept for use the private airstrip on the Texas Ranch, Inc. District for agricultural operations and government-sponsored programs, seconded by Mr. L. Allen Messick, Jr. Motion unanimously approved.**

**2. Chorman Spraying, LLC – Request to use private airstrip for agricultural operations on the C. Rodney Sharp District (S-96-06-112)**

Mr. Chorman explained that his family (father-in-law) owns this property and that he also lives on the farm. This existing grass airstrip is only used for aerial seeding for agricultural operations.

**Mr. Matthew Chesser motioned to accept for use of the private airstrip for agricultural operations and government-sponsored programs on the C. Rodney Sharp District, second by Mr. William H. Chip Narvel, Jr. Motion unanimously approved.**

**3. Chorman Spraying, LLC – Request to use private airstrip for agricultural operations on the David Hrupsa Expansion of the Albert D. Warren District (K-13-11-008H-1)**

Mr. Chorman informed the Board that he recently purchased this grass airstrip and that he wishes to blacktop the airstrip (30' by 3,000') for safety purposes. The airstrip is often very wet so it can be hazardous to use – another pilot crashed a plane on this strip two years ago. Austin noted that the southern portion of the airstrip was not in the Aglands Preservation Program while the northern portion was in a 10-year agricultural preservation district agreement. Mr. Chesser asked Mr. Parkowski if blacktopping was permitted. Mr. Parkowski stated there was no language in the statute that prevented this improvement and if it is necessary to safely use this existing airstrip then he did not see a problem with the request.

**Mr. Matthew Chesser motioned to accept for use of the private airstrip for agricultural operations on the David Hrupsa Expansion of the Albert D. Warren District and to include the request to blacktop a thirty-foot wide strip down the center of existing airstrip, second by Mr. William H. Chip Narvel, Jr. Motion unanimously approved.**

Austin introduced Carrie Wanstall as the new Administrative Specialist II for the Aglands Foundation. The Board welcomed Carrie to her new role.

Austin Short informed the Board that the current Wilson Farm lease with Magee Farms expires next year; this lease was originally for five years and was extended to ten years with an expiration date of February 29, 2020. Austin will notify the Magee family that the Foundation intends to request bids for a new lease and will solicit the bids this summer so that the selected farmer has ample time to plan for next year's crops.

Austin Short reminded the Board that the Bond Bill Committee included a provision in the FY19 Bond Bill Epilogue requesting a report from the Aglands Preservation Program to review the varying land values around Delaware, discuss how these values impact the Aglands Preservation Program and provide recommendations to potentially address these differing values. Staff prepared a draft report and Austin distributed it to the Board and requested comments by Wednesday, March 27. Staff intend to provide a preliminary copy to the Bond Bill Committee at the Department's April 1<sup>st</sup> Bond Bill hearing (scheduled for 2:30 pm at Legislative Hall), with a final report provided after the Round 23 selections whereupon the report can document how the

program changes impacted the Round 23 selection process.

Mr. Matthew Chesser notified the Board that he has accepted a position as legal counsel with Del Tech and will leave DNREC next month. He thanked the Board for the opportunity to participate and offered his assistance in the future. Chairman Garey thanked Mr. Chesser for his service.

### **VIII. Adjournment**

As there was no further business to come before the Foundation Board, the meeting adjourned at 9:28 a.m. The next meeting of the Foundation is **Wednesday April 17, 2019**, at the Delaware Department of Agriculture beginning at 8:30 a.m.

Respectfully submitted,

  
\_\_\_\_\_  
Robert Garey  
Chairman